1 2. Plaintiffs admit the allegations of Paragraph 2. 2 3. Plaintiffs admit the allegations of Paragraph 3. 3 4. Plaintiffs admit the allegations of Paragraph 4. 5. 4 Plaintiffs admit that they have sued Defendant alleging that Defendant is guilty of 5 unfair competition under Section 43(a) of the Lanham Act and under California statutory and 6 common law. 6. 7 Plaintiffs admit that they have sued Defendant alleging that Defendant is guilty of 8 unfair competition under California statutory and common law. 9 7. Plaintiffs admit the allegations of Paragraph 7. 10 8. Plaintiffs admit the allegations of Paragraph 8. 11 9. Plaintiffs admit the allegations of Paragraph 9. 12 10. Plaintiffs admit the allegations of Paragraph 10. 13 11. Plaintiffs admit the allegations of Paragraph 11. 14 12. Plaintiffs admit the allegations of Paragraph 12. 15 13. Plaintiffs admit that Ingrid & Isabel, Inc. is a California corporation with its 16 principal place of business in San Francisco, California and that Ingrid & Isabel, LLC is a 17 California limited liability company with its principal place of business in San Francisco, California. 18 19 **COUNT I** 20 (Declaratory Judgment) 21 14. Plaintiffs repeat and incorporate by reference their responses to Paragraphs 1 22 through 13 inclusive of the Counterclaim, as if set forth in full herein. 23 15. Plaintiffs admit that certain claims in the Patent in Suit contain the quoted language, 24 "whereby the band holds the upper end of the pants or skirt closely against the torso retaining the 25 pants or skirt in place," "to hold the skirt or pants in place on the women's body," "to hold the skirt 26 or pants in place on the women's body," "whereby the band holds the upper end of the pants or skirt closely against the torso, retaining the parts of skirt in place," "to hold the skirt or pants on the 27

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woman's body," and "to hold the skirt or pants in place on the women's body." Plaintiffs deny any and all remaining allegations of Paragraph 15.

- 16. Plaintiffs are without sufficient information or knowledge to admit or deny the allegations of Paragraph 16 and therefore deny the allegations of this Paragraph.
- 17. Plaintiffs deny the allegations in the second sentence of Paragraph 17 and are without sufficient information or knowledge to admit or deny the allegations in the first and third sentences of Paragraph 17 and therefore deny the allegations of in those sentences.
 - 18. Plaintiffs deny the allegations of Paragraph 18.
 - 19. Plaintiffs deny the allegations of Paragraph 19.
 - 20. Plaintiffs deny the allegations of Paragraph 20.
 - 21. Plaintiffs deny the allegations of Paragraph 21.

COUNT II

(Breach of Contract)

- 22. Plaintiffs repeat and incorporate by reference their responses to Paragraphs 1 through 21 inclusive of the Counterclaim, as if set forth in full herein.
 - 23. Plaintiffs admit the allegations of Paragraph 23.
- 24. Plaintiffs admit that the "First Complaint is in two Counts" and that "Count One alleges violation of common law rights including unfair competition." Plaintiffs deny any and all remaining allegations of Paragraph 24.
- 25. Plaintiffs admit that the First Complaint alleged a cause of action for trademark infringement. Plaintiffs deny any and all remaining allegations of Paragraph 25.
- 26. Plaintiffs admit the allegations of Paragraph 26 to the extent that "First Suit" actually refers to "First Case" as defined by Defendant in Paragraph 23 of Defendant's Answer to Complaint and Counterclaims.
- 27. Plaintiffs admit that Paragraph 3 of the Settlement Agreement permits Defendant to use the terms and phrases, "Maternity Belly Band," "Maternity Band," "Baby Be Mine Maternity Belly Band," and "Baby Be Mine Belly Band." Plaintiffs are without sufficient information or

the Settlement Agreement only applies to claims or defenses existing up to the date of the

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Settlement Agreement and that the Complaint in the instant action concerns actions and conduct that have occurred, or are occurring, after the date of the Settlement Agreement.

29. Plaintiffs are without sufficient information or knowledge to admit or deny the allegations of Paragraph 29 and therefore deny the allegations of this Paragraph.

30. Plaintiffs admit that the Patent in Suit issued after the date of the Settlement Agreement and that their patent application was filed in 2003. Plaintiffs deny any and all remaining allegations of Paragraph 30.

- 31. Plaintiffs admit that their maternity band products embody the inventions disclosed in the subject patent. Plaintiffs deny any and all remaining allegations of Paragraph 31.
- 32. Plaintiffs admit that a Request for Dismissal and Order was signed by Judge Wayne D. Brazil on May 17, 2007 in the First Case.
 - 33. Plaintiffs deny the allegations of Paragraph 33.
 - 34. Plaintiffs admit the allegations of Paragraph 34.
 - 35. Plaintiffs deny the allegations of Paragraph 35.
 - 36. Plaintiffs deny the allegations of Paragraph 36.
 - 37. Plaintiffs deny the allegations of Paragraph 37.
 - 38. Plaintiffs deny the allegations of Paragraph 38.

ANSWER TO COUNTERCLAIMANT'S PRAYER FOR RELIEF

39. Plaintiffs deny that Defendant is entitled to any relief whatsoever from Plaintiffs or this Court, either as requested in the Counterclaims or as might otherwise be available in equity or at law.

GENERAL DENIAL

40. Plaintiffs further deny each and every allegation contained in the Counterclaims to

4. As a separate and fourth affirmative defense to the Counterclaims and to each claim for relief against Plaintiffs set forth therein, Plaintiffs allege upon information and belief that Defendant is barred in whole or in part due to the doctrine of estoppel.

FIFTH AFFIRMATIVE DEFENSE

(Patent Infringement)

 As a separate and fifth affirmative defense to the Counterclaims and to each claim for relief against Plaintiffs set forth therein, Defendant and Counterclaimant has been, and is now,

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Document 17

Filed 08/13/2008

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